

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 1999-354-C - ORDER NO. 1999-886  
DECEMBER 16, 1999

IN RE: Application of Universal Telecom, Inc. for a ) ORDER ✓  
Certificate of Public Convenience and ) GRANTING  
Necessity to Provide Local Exchange ) CERTIFICATE  
Telecommunications Services within the State )  
of South Carolina. )

This matter comes before the Public Service Commission of South Carolina (the “Commission”) by way of the Application of Universal Telecom, Incorporated (“UTI” or the “Company”) requesting a Certificate of Public Convenience and Necessity authorizing it to provide resold local exchange telecommunications services within the State of South Carolina. The Application was filed pursuant to S.C. Code Ann. § 58-9-280 (Supp. 1998) and the Regulations of the Commission.

By letter, the Commission’s Executive Director instructed the Company to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the manner and time in which to file the appropriate pleadings for participation in the proceedings. UTI complied with this instruction and provided the Commission with proof of publication of the Notice of Filing.

A Petition to Intervene was received from the South Carolina Telephone Coalition (“SCTC”). On October 27, 1999, Counsel for SCTC filed with the Commission a

Stipulation in which UTI stipulated that it would seek authority only in non-rural local exchange ("LEC") service areas of South Carolina and that it would not provide any local service to any customer located in a rural incumbent's service area, unless and until the Company provided written notice of its intent prior to the date of the intended service. UTI also stipulated that it was not asking the Commission to make a finding at this time regarding whether competition is in the public interest for rural areas. UTI agreed to abide by all State and Federal laws and to participate to the extent that it may be required to do so by the Commission in support of universally available telephone service at affordable rates. The SCTC withdrew its opposition to the granting of a statewide Certificate of Public Convenience and Necessity provided the conditions contained in the Stipulation are met. The Stipulation is approved and attached as Order Exhibit 1.

A hearing was commenced on December 2, 1999, at 3:00 p.m., in the Commission's Hearing Room. The Honorable Philip T. Bradley, Chairman, presided. UTI was not represented by counsel. Jocelyn D. Green, Staff Counsel, represented the Commission Staff.

Robert Freeland, Vice President, Secretary, and Treasurer of UTI, appeared and testified in support of the Application. Mr. Freeland testified UTI plans to provide non-facilities based local exchange services to non-rural residential customers in South Carolina. The Company also plans to offer enhanced features such as Call Forwarding No Answer, Call Return, Unpublished Number, Caller I.D. & Name and Number Delivery, Area Calling, Three Way Calling, and Repeat-Dial Busy. The Company has

entered into an interconnection agreement with BellSouth to offer its services in South Carolina.

Mr. Freeland testified that the managerial staff of the Company consists of David Wigginton, President of UTI and himself. Both of these officers had managerial experience prior to joining UTI. The record reveals that UTI has a strong current ratio -- the Company has a sufficient amount of current assets to pay its current liabilities. UTI is seeking certification nationwide with the exception of the northeastern states. The Company has been granted certification in nine states; UTI is currently providing telecommunications services in North Carolina, Tennessee, Florida, Mississippi, and Alabama. The Company first began offering telecommunications services in May 1999, and UTI has an interconnection agreement with BellSouth in all five states.

Mr. Freeland testified further that UTI will market its services through existing businesses or points of sale. The Company will retain businesses to receive payments and process applications. UTI will also market its services through television, radio, and print.

UTI's customer service department is located in LaGrange, Kentucky. The Department is open from 8:00 a.m. to 6:00 p.m. eastern standard time. Calls made after hours are answered by CIGNAS Corporation. The record reveals emergency service is available twenty-four hours a day, seven days a week. If a customer service representative is unable to assist a customer, the question/issue is referred to the Operations Manager and then to the Vice President or President of the Company if necessary.

UTI performs its own billing services and the Company's name and telephone number appear on the bill. Mr. Freeland also stated that UTI has an agreement with BellSouth where BellSouth will publish the names and addresses of UTI's customers in BellSouth's phone directory. The regulatory contact person for the Company is Mr. Freeland. Mr. Wigginton is the contact person for questions regarding the financial status of the Company. Finally, Mr. Freeland testified that if the Commission grants UTI a Certificate of Public Convenience and Necessity, it will abide by all the rules and regulations of the Commission.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

#### **FINDINGS OF FACT**

1. The Commission finds UTI is organized as a corporation under the laws of the State of Kentucky and is authorized to do business as a foreign corporation in the State of South Carolina by the Secretary of State.
2. The Commission finds UTI has the technical, financial, and managerial resources sufficient to provide the services requested. S.C. Code Ann. §58-9-280 (B)(1) (Supp. 1998).
3. The Commission finds UTI will provide services which will meet the service standards of the Commission. S.C. Code Ann. § 58-9-280(B) (Supp. 1998).

4. The Commission finds that UTI's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 1998).

5. The Commission finds that UTI will support universally available telephone service at affordable rates. S.C. Code Ann. § 58-9-280 (B)(4) (Supp. 1998).

6. The Commission finds that the provision of local exchange service by UTI "does not otherwise adversely impact the public interest." S.C. Code Ann. § 58-9-280 (B)(5) (Supp. 1998).

#### **CONCLUSIONS OF LAW**

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to UTI to provide competitive intrastate local exchange services in the non-rural local exchange areas of South Carolina. The terms of the Stipulation between UTI and SCTC are approved, and adopted as a portion of this Order. Any proposal to provide such service to rural service areas is subject to the terms of the Stipulation.

2. UTI shall file, prior to offering local exchange services in South Carolina, its final tariff of its local service offerings conforming to all matters discussed with Staff and comporting with South Carolina law in all matters.

3. UTI shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, and tests and repairs. In addition, UTI shall provide to the Commission in writing the name of the

authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. UTI shall file with the Commission the names, addresses, and telephone numbers of those representatives within thirty (30) days of receipt of this Order. (Attachment A shall be utilized for the provision of this information to the Commission.) Further, UTI shall promptly notify the Commission in writing if the representatives are replaced.

4. UTI is directed to comply with all Commission regulations unless expressly waived by the Commission.

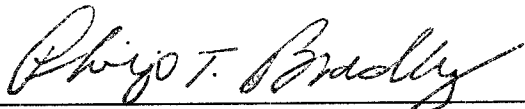
5. UTI shall conduct its business in compliance with Commission decisions and Orders, both past and future, including but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition.

6. Title 23, Chapter 47, South Carolina Code of Laws Ann., governs the establishment and implementation of a "Public Safety Communications Center," which is more commonly known as a "911 system" or "911 service." Services available through a 911 system include law enforcement, fire, and emergency medical services. In recognition of the necessity of quality 911 services being provided to the citizens of South Carolina, the Commission hereby instructs UTI to contact the appropriate authorities regarding 911 service in the counties and cities where the Company will be operating. Contact with the appropriate 911 service authorities is to be made before beginning telephone service in South Carolina. Accompanying this Order is an information packet from the South Carolina Chapter of the National Emergency Number Association ("SC NENA") with contact information and sample forms. The Company


may also obtain information by contacting the E911 Coordinator at the Office of Information Resources of the South Carolina Budget and Control Board. By this order and prior to providing services within South Carolina, UTI, shall contact the 911 Coordinator in each county, as well as the 911 Coordinator in each city where the city has its own 911 system, and shall provide information regarding the Company's operations as required by the 911 system.

7. This Order shall remain in full force and effect until further Order of the Commission.

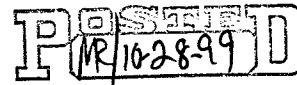
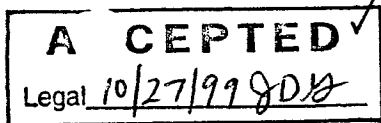
BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

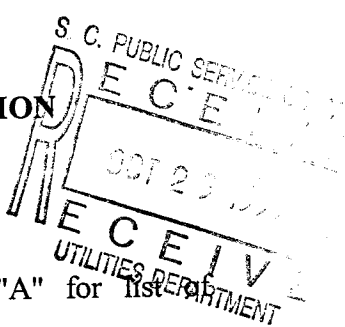


BEFORE  
THE PUBLIC SERVICE COMMISSION  
OF  
SOUTH CAROLINA

Docket No. 1999-354-C

Re: Application of Universal Telecom, Inc. )  
for a Certificate of Public Convenience and )  
Necessity to Provide Resold and Facilities- )  
Based Local Exchange Telecommunications )  
Services the State of South Carolina )

STIPULATION



The South Carolina Telephone Coalition ("SCTC") (see attachment "A" for list of companies) and Universal Telecom, Inc. ("Universal") hereby enter into the following stipulations. As a consequence of these stipulations and conditions, the necessity for SCTC's intervention in this matter is avoided and SCTC withdraws its opposition to Universal's Application. SCTC and Universal stipulate and agree as follows:

1. SCTC does not oppose the granting of a statewide Certificate of Public Convenience and Necessity to Universal, provided the South Carolina Public Service Commission ("Commission") makes the necessary findings to justify granting of such a certificate, and provided the conditions contained within this stipulation are met.
2. Universal stipulates and agrees that any Certificate which may be granted will authorize Universal to provide service only to customers located in non-rural local exchange company ("LEC") service areas of South Carolina, except as provided herein.
3. Universal stipulates that it is not asking the Commission to make a finding at this time regarding whether competition is in the public interest for rural areas.
4. Universal stipulates and agrees that it will not provide any local service, by its own

RETURN DATE: OK MR  
SERVICE: OK MR

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facilities or otherwise, to any customer located in a rural incumbent LEC's service area, unless and until Universal provides such rural incumbent LEC and the Commission with written notice of its intent to do so at least thirty (30) days prior to the date of the intended service. During such notice period, the rural incumbent LEC will have the opportunity to petition the Commission to exercise all rights afforded it under Federal and State law. Also, Universal acknowledges that the Commission may suspend the intended date for service in rural LEC territory for ninety (90) days while the Commission conducts any proceeding incident to the Petition or upon the Commission's own Motion, provided that the Commission can further suspend the implementation date upon showing of good cause.

5. Universal stipulates and agrees that if Universal gives notice that it intends to serve a customer located in a rural incumbent LEC's service area, the Commission receives a Petition from the rural incumbent LEC to exercise its rights under Federal or State law, or the Commission institutes a proceeding of its own, then Universal will not provide service to any customer located within the service area in question without prior and further Commission approval.

6. Universal acknowledges that any right which it may have or acquire to serve a rural telephone company service area in South Carolina is subject to the conditions contained herein, and to any future policies, procedures, and guidelines relevant to such proposed service which the Commission may implement, so long as such policies, procedures, and guidelines do not conflict with Federal or State law.

7. The parties stipulate and agree that all rights under Federal and State law are reserved to the rural incumbent LECs, and this Stipulation in no way suspends or adversely affects such rights, including any exemptions, suspensions, or modifications to which they may be entitled.

1. 2 & 4

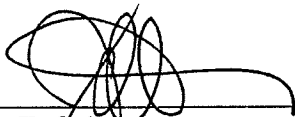


8. Universal agrees to abide by all State and Federal laws and to participate, to the extent it may be required to do so by the Commission, in the support of universally available telephone service at affordable rates.

9. Universal hereby amends its application and its prefiled testimony in this docket to the extent necessary to conform with this Stipulation.

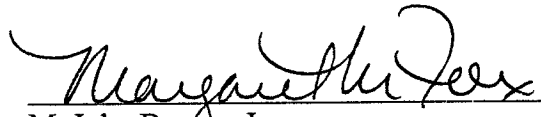
AGREED AND STIPULATED to this 19<sup>th</sup> day of October, 1999.

Universal Telecom, Inc.:

  
\_\_\_\_\_  
John E. Selent  
Dinsmore & Shohl, LLP  
2000 Meidinger Tower  
Louisville, Kentucky 40202

Attorneys for Universal Telecom, Inc.

South Carolina Telephone Coalition:

  
\_\_\_\_\_  
M. John Bowen, Jr.  
Margaret M. Fox  
McNair Law Firm, P.A.  
Post Office Box 11390  
(803) 799-9800

Attorneys for the South Carolina Telephone Coalition

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ATTACHMENT A

South Carolina Telephone Coalition Member Companies  
for Purposes of Local Service Stipulation

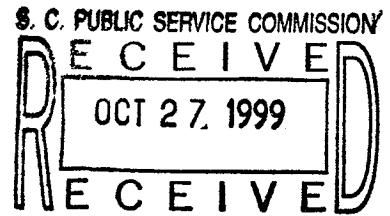
ALLTEL South Carolina, Inc.  
Bluffton Telephone Company, Inc.  
Chesnee Telephone Company  
Chester Telephone Company  
Farmers Telephone Cooperative, Inc.  
Ft. Mill Telephone Company  
Hargray Telephone Company, Inc.  
Heath Springs Telephone Company Inc.  
Home Telephone Company, Inc.  
Lancaster Telephone Company  
Lockhart Telephone Company  
McClellanville Telephone Company  
Norway Telephone Company  
Palmetto Rural Telephone Cooperative, Inc.  
Piedmont Rural Telephone Cooperative, Inc.  
Pond Branch Telephone Company  
Ridgeway Telephone Company  
Rock Hill Telephone Company  
Sandhill Telephone Cooperative, Inc.  
St. Stephen Telephone Company  
West Carolina Rural Telephone Cooperative, Inc.  
Williston Telephone Company

1. of 4

A handwritten signature in black ink, consisting of a large, stylized capital letter 'P' followed by a series of loops and a final vertical stroke.

BEFORE  
THE PUBLIC SERVICE COMMISSION  
OF  
SOUTH CAROLINA

Docket No. 1999-354-C

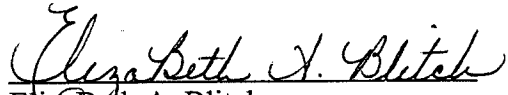


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Based Local Exchange Telecommunications )  
Services the State of South Carolina )  
\_\_\_\_\_ )

**CERTIFICATE OF  
SERVICE**

I, ElizaBeth A. Blich, do hereby certify that I have this date served one (1) copy of the foregoing Stipulation upon the following party of record by causing said copy to be deposited with the United States Mail, first class postage prepaid to:

John E. Selent, Esquire  
Dinsmore & Shohl, LLP  
2000 Meidinger Tower  
Louisville, Kentucky 40202.

  
ElizaBeth A. Blich  
McNAIR LAW FIRM, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211  
(803) 799-9800

October 27, 1999

Columbia, South Carolina

## AUTHORIZED UTILITY REPRESENTATIVE INFORMATION

### PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION REGULATION

103-612.2.4(b) - Each utility shall file and maintain with the Commission the name, title, address, and telephone number of the persons who should be contacted in connection with General Management Duties, Customer Relations (Complaints), Engineering Operations, Test and Repairs, and Emergencies during non-office hours.

\_\_\_\_\_  
Company Name ( Including dba Name(s) or Acronyms used or to be used in South Carolina)

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
City, State, Zip Code

A.

\_\_\_\_\_  
General Manager Representative (Please Print or Type)

\_\_\_\_\_  
Telephone Number / Facsimile Number / E-mail Address

B.

\_\_\_\_\_  
Customer Relations (Complaints) Representative (Please Print or Type)

\_\_\_\_\_  
Telephone Number / Facsimile Number / E-mail Address

C.

\_\_\_\_\_  
Engineering Operations Representative (Please Print or Type)

\_\_\_\_\_  
Telephone Number / Facsimile Number / E-mail Address

D.

\_\_\_\_\_  
Test and Repair Representative (Please Print or Type)

\_\_\_\_\_  
Telephone Number / Facsimile Number / E-mail Address

E.

\_\_\_\_\_  
Contact for Emergencies During Non-Office Hours (Please Print or Type)

\_\_\_\_\_  
Telephone Number / Facsimile Number / E-mail Address

F.

\_\_\_\_\_  
Financial Representative (Please Print or Type)

\_\_\_\_\_  
Telephone Number / Facsimile Number / E-mail Address

G.

\_\_\_\_\_  
Customer Contact Telephone Number for Company (Toll Free)

\_\_\_\_\_  
This form was completed by

\_\_\_\_\_  
Signature

**If you have any questions, contact the Consumer Services Department (803-896-5230)  
or Utilities Department at (803-896-5105).**